CONGRESS.

America's Position in the Vienna Exposition.

OUR RETURN TO SPECIE PAYMENTS

Speech by Senator Sherman on the Buckingham Bill.

NATIONAL FAITH AND NATIONAL CREDIT.

Resumption Proposed for the 1st of January Next.

United States Notes Redeemable in Coin or Five Per Cents.

SENATE.

WASHINGTON, Jan. 16, 1873. A bill was introduced authorizing the Secretary of War to contract for the building of several light fraught snag-boats for the Mississippi, Missouri and Arkansas rivers.

Mr. NYE, (rep.) of Nev., from the Committee Territories, reported the House bill, fixing the salaries of Territorial officers and legislators, and the length of the session of the Legislatures, which THE VIENNA EXPOSITION.

Mr. Schurz, (lib.) of Mo., from the Committee on Foreign Relations, reported the House bill to enble the people of the United States to participate in the Vienna Exposition, with an amendment increasing the appropriation from \$100,000 to \$300,000 Mr. CHANDLER, (rep.) of Mich., opposed the amendment, and said he was opposed to making any appropriation for this purpose, because expehad shown American inventors that the main result of taking part in such expositions was

Mr. SCHURZ replied that, in the first place, if foreigners wished to steal our inventions they could do so at any time by copying our models in the Patent Office. In the second place, those inventors who feared to take the risk might keep their inventions at home; and in the third place, the Austrian government had issued a decree designed to pro-

Mr. CHANDLER said that many of the exhibitors would be wealthy, and he did not think the United would be wealthy, and he did not think the United States should be asked to pay their expenses. He would not object to the original bill, but he was opposed to the amendment. Messrs. Cameron, (rep.) of Pa., and Hamlin, (rep.) of Me., advocated the amendment, and the latter said the members of the Committee on Foreign Kelations were of opinion that even a larger sum than \$300,000 could be profitably used for this purpose.

purpose.
Mr. Morron, (rep.) of Ind., said the United States had been misrepresented at the London and Paris exhibitions, and he was in favor of our country either making a worthy exhibition at Vienna or making done at all.

m. Sericiza, as an additional reason for making hiberal appropriation, mentioned the fact that he United States had been assigned a very conspicuous place in the Exhibition building in Mr. SAWYER, (rep.) of S. C., also advocated a

Mr. Sawyer, (rep.) of S. C., also advocated a liberal appropriation.

Mr. Saulsbury, (dem.) of Del., moved to make the amount \$150,000 tostead of \$500,000. Lost.

The amendment of the committee, making the amount \$500,000, was then adopted.

Mr. Carpenter, (rep.) of Wis, said he had voted to increase the amount to \$500,000, because if an appropriation was to be made at all, that was little enough; but, so long as the Washington Monument stood in its présent unfainshed and delapidated condition, a shame and reproach to every American, in the eyes of every foreigner visting our land, he would never vote \$500,000 or any sum to be sunk in a show to Europe. He then offered an amendment appropriating \$500,600 for the completion of the Washington Monument.

Mr. Trumbull, (lib.) of Ill., predicted that before this Vienna Enhibition business was ended it would cost the United States \$1,000,000.

At the expiration of the merning hour the bill went over.

pecie nayment is not only required by the ith, but it is now demanded by olicy, or, to use a narrower phrase, it is political economy. Experience has established that every nation using a depicedated currency loses in exchange with a nation having a better currency. If we buy abroad, specie is the standard of value, and the cost of the article, too,

that every nation using a depicelated currency loses in exchange with a nation having a better currency. If we buy abroad, specie is the standard of value, and the cost of the article, too, is at once increased by an addition of the depreciation of our money and a pexcentage for exchange and risk. What we sell abroad is also measured by the specie standard, and the loss by exchange, whether we buy or sell, is paid by us. This loss is more severe when applied to contracts to be paid in the inture, and especially to railroad and other bonds payable after a period of vears. These bonds must be paid in gold, whether the gold is stipulated for or not, and yet the price paid for them is usually in currency. We

PAY IN GOLD AND RECKIVE IN CURRENCY,
and thus at the outset submit us to a loss of the entire depreciation of our currency. The interest paid on this discount of our bonds would in many cases if applied as a sinking fund pay off the whole of the principal oefore it accrues. That a depreciation of the currency always injuriously affects a community in which it exists was shown by the experience of the colonies before the War of Independence. In each of them some form of depreciated money was used. The value of the pound and shilling in current use was only from one-half to par of the value of the standard coin of Great Britain, and this depreciation often measured the poverty or necessity of the colony using it. With the currency in common use before the late war, and which depended entirely upon the law of the States were, as a rule, depreciated, and these States, in which a better banking system prevailed, the notes were maintained at the specie standard, and great profits and accumulations were made by their practical monopoly of the banking business. The great body of our people do not pause to consider their loss by the use of depreciated money. It is lawful money; it buys all the necessaries of life; it pays debts; it is convenient to carry, and is of uniform value throughout the united States and is ampl

from the people without interest and without the burden of redemption. It is true that the banks are required to maintain a certain reserve of United States notes to secure the redemption of their notes; but, practically, we know that no notes are furnished for redemption. It is on this ground they apply to us to relieve them from the burden of maintaining a reserve. We are told that we require them to keep idle in their vaults currency sorely needed by the business community merely to secure the redemption of notes that are never presented for redemption of notes that are never presented for redemption of notes that are less for the redemption of their notes. If the idea of redemption is abandened, or indefinitely postponed, then all reserves should be dispensed with. If the only object is to make the currency abundant, without regard to its vame compared with cells, then any reserve is a folly indeed, the whole national banking system would be indefensible if our currency is to be permanently irredeemable. It is impossible to state a reason why the whole of it should not be issued by the United States, or why pany of it should be issued by a bank. The only benefit the public derive from a bank of issue as distinguished from the private interest of its stockholders is that the bank note is the convenient representation of coin; that its capital, resources and reserve furnish a security for the redemption of its notes in coin, and that it is a convenient agency to distribute the notes by loans to those engaged in producing and transporting property. Any policy that abandons the redemption of bank notes in coin will inevitably lead to the abandonment of banks of issue. For the public will not long allow the banks of issue. For the public will not long allow the banks of issue. For the public will not long allow the banks of issue. For the public will not long allow the banks of issue.

they enjoy. Again, all the existing laws authorizing United States notes and bank notes are based upon the theory of specie payments. The notes were only issued, however, during the war, under a suspension of specie payments. There was no medium of payment except the public credit. We could not utilize the public credit in borrowing money until we had provided a medium of payment. For that purpose we carried the public credit into a similar purpose we carried the public credit into a similar money in coin. When the lawful money was issued we did not anticipate the extent of its depreciation and constantly kept in view its speedy redemption. Ordinarily the practices of a government in furnishing money is similated to stamping upon gold and silver of certain weight and fineness its intrinsic vaine. Here its duty ends. But IN WAR THE this process of coining did not meet the public necessities, and the United States carried its credit into money, and this process has been upheid by all departments of the government. Still this money is but a form of public debt—a promise to pay specific quantities of gold and silver. In the National Banking act Congress assumed that the United States would maintain its paper money at par in gold and to be issued by banks. Every provision of that act contemplates that both United States notes and bank bills should be equal to gold and to each other. This is the reason for the provisions for redemption and for a large reserve. The Banking act also anticipated that the United States might withdraw its notes and then that bank notes were directly to be redeemed with coin. Still the Bank act provided for the common existence of both kinds of notes, and experience shows that both may be maintained in circulation with profit to the United States. While no provision is made for the common existence of both kinds of notes, and experience notes in hulined. Our whole system of currency becomes incongruous by our failure to provide for the redemption of United States notes. If, then, public faith, public policy and the spirit of our laws demand that our currency be restored to the specie standard, it would seem that the only

what is the best way to bestum.

But here we meet the objection of many business men, the most active and enterprising of our people, who tell us that specie payments with them adds largely to the burden of our debts; that upon the basis of the existing law and the condition of inflation always produced by depreciated money they have made contracts, contracted debts bayable in currency, and that now, to add to the value of that currency, is to embarrass, cripple and ruin them. Some tell us they are prepared to meet the general approach to specie payments caused by the increased business and credit of the country, while others tell us that the country needs more currency; that its growth in population, expansion in business and new enterprises render an increase of currency indispensatry needs more currency; that its growth in population, expansion in business and new enterprises render an increase of currency indispensable. The effect of any mensure upon the interests of active business men should be carefully studied, but individual hardship is not sufficient reason for a violation of public latin or a disregard of the general interests or policy of the whole country. All our citizens have had full action of the policy of the government. The act of Congress already cited, the decision of the Sapreme Court and the promises of opposing parties are well known to all intelligent men, and the effect of specie payment is greatly exaggerated as to the persons it will injure. Our business men are not only debtors, but they are creditors. If they are, injured by adding to the burden of their debts they are benefited by the increase of value of their credits. No one engaged in production merely, whether as a financier or a manufacturer, a mechanic or a laborer, is injured; for, if the nominal value of his productions is diminished, the cost of living and all that enters into the cost of production is diminished in the same degree. Experience has shown that depreciated money is

living and all that enters into the cost of production is diminished in the same degree. Experience has shown that depreciated money is

MOST INJURIOUS TO LABORING MEN.

It produces a false standard of value, the effect of which is not noticed by a laboring man, or by a trader or merchant. Even upon current debts and credit the effect of a specie standard will surely be appreciable, for the nominal loss will be discounted in advance or be divided during the gradual appreciation of paper money. The greater burden will fail upon debts running a long period of time, as upon corporation bonds and mortgages. As to those in existence before the Legal Tender act took effect, it is but right they be paid in specie, while those contracted since have been issued in the expectancy of specie payments before this time; still, while the effect of a specie standard upon debt is greatly exaggerated, it cannot be denied that if it is followed by a contraction of the currency it will cause distress and embarrassmeat to very many who have contracted debt on a currency basis. But

THIS ARGUMENT OF HARDSHIP WILL APPLY FOR-

If we are controlled by it we can never pay our pensioners; the lapse of time will not make it easier. Our financial condition is now so much stronger that we can adord to do right, and yet in such a way as to injure in the least possible degree those who contracted debts on a currency basis. Again, the effect of a specie standard in producing easier. Our manicial condition is now so much stronger that we can adord to do right, and yet in such a way as to injure in the least possible degree those who contracted debts on a currency basis. Again, the effect of a specie standard in producing a contraction of the currency is greatly exaggerated. A contraction of the currency is not necessarily a result of specie payments. Undoubtedly a contraction of the currency would produce specie payments. It is the most direct road to specie payments. It is the most direct road to specie payment, and if the paper money in circulation is in excess of the wants of the community, it is the only road. We, in 1868 and 1867 quietly contracted the currency by funding over three hundred millions of debt of compound interest and other rates, most of which were part of the currency. It, in 1808, we had, as was proposed in the Senate, authorized United States notes to be used for five per cent bonds at par, we would have long since been at specie payments. The notes then could have been paid out again for the payment of current expenses and the purchase of bonds, precisely as now, when gold is sold for notes and notes applied to the purchase of bonds. In this way we could have reached a specie standard the moment our five percent bonds were worth par in gold. The advancing credit of the nation would have littled our currancy to par in gold payment of the debt as induced by the advanced value of our notes in gold, we can raise their value to the specie standard much more readily than four years ago. Our failary lies at the foundation of the objections to a specie standard, that it necessarily compels a writhdrawal of paper currency. This depends entirely upon the amount necessary to conduct the business of the country and the degree of public confidence in its redemption.

Mr. Knex, the Comptroller of the Currency, in his last annual repert, shows that in January, 1802, when specie payments were applied to the wealth of the United States, and that the circulation in the United

BITHER OF THERE EXPEDIENTS.

First—The maintenance in the Treasury of a large reserve in coin.

Second—The authority in the Secretary of the Treasury to sell bonds for coin to maintain redemption.

Third—To authorize an ultimate redemption either in coin or bonds.

The first is subject to the objection that it keeps tide a vast sum only needed in case of a name.

The first is subject to the objection that it keeps idle a vast sum only needed in case of a panic, when it will be insufficient. The second is subject to a greater objection, that, as the power could only be used in a stringent money market, it will lead to great sacrifices of public securities and add fuel to the existing panic. The third mode requires no reserve. It could operate only when, from panic or unforescen causes, our bonds are below par in coin, and, as in the temporary suspension of specie payments, alike beneficial to the United States and to the ousiness community. This plan implies that the United States will make its financial redemption in a bond so intrinsically valuable that it will be generally at par in gold. I do not overlook the fact that redemption by the United States will test the strength of the national banks and prove whether or not they are entitled to public confidence; but this present connection with an aggregate surplus fund far beyond the difference between currency

will merit the public expectations. With specie redemption the system becomes free. The fuctuations of their currency will be but the healthy ebb and flow of commerce. Redemption, then, will become a fact and will check the tendency of the country banks to employ their currency mill be but the healthy ebb and flow of commerce. Redemption, then, will become a fact and will check the tendency of the country banks to employ their currency in wall street speculations. As they may redeem in coin or in United States notes they will have the benefit of the alternative redemption provided as to United States notes, so that the sacrifice of their securities, that generally iollows specie payment during a panic, can go no further than the payment of their bonds for their notes, par for par. Again, a specie standard will siso bring gold and silver coin into actual use. The amount now hoarded has been variously estimated, and with that deposited in the Treasury and in circulation and California cannot be less than

TWO HUNDRED MILLION DOLLARS.

This will probably take the place of legal tenders as bank reserves, and thus add to the present volume of the currency. Even it specie payments should cause the retirement in coin funding of fity millious of United states notes their place will be more than filled by the coin let loose from its present banishment. I therefore conclude that the lears of evil results from a specie standard are greatly exaggerated; that there will be no contraction of the currency, no disturbance of real values or suspension of business; but that our present United States and bank notes will pass as usual in the ordinary exchanges of life, increasing the value of all property, whether produced here or

cie standard is a isilacy. To express it as the English did, when specie payments were suspended, "GUINEAS ARE A USELESS HINCOMBRANCE." This reason only proves that when by war o panic specie payments are suspended a nation may by this use of paper money alone develop it resources and obtain high financial prosperity but it is also true that history lurnishes but twe examples of such success, and in both cases specipayments were constantly promised and kept if view, while the public credit was maintained be collecting its revenue and paying its cebt in confin Great Britain, during her wars with Napoleon the Bank of England notes were a depreciated, and the Bank of England notes were a depreciated, unreliable paper currency, but they were never made a legal tender, and their credit was supported not only by promises but by attempts at resumption. In the United States the secret of our success with paper money was the careful limitation of its amount, the payment of our interest in coin, the collection of our customs duties in coin and the promise of the United States to redeem all its notes in coin, with the confidence of our people that this would be done; that not only the United States, but other nations who conducted war with paper money alone, without an expectation of coin redemption, met with disaster and financial ruin. Such was the experience of France with her assignats and mandats, of the American colonies with Continental meney and of the Southern Confederacy with their Confederate notes. Most of the modern nations of Europe have 'attempted at some period of their history to bridge over their difficuities with government paper money with disastrous results. Great corporations, with the power of the government behind them, have furnished innumerable examples of the folly of sustaining paper money except by specie redemption. The scheme of George Law, in France, the Bank of the United States, and the pet banks are striking examples. If any one fact is proven by the experience of mankind it is that gold and silver are THE BEST POSSIBLE STANDARDS OF VALUE. They have been so recognized by every nation from the earliest period of recorded time. However much nations might differ in religion, habits, production or climate, they have not differed in this primary axiom of exchange or barter. Experiments have been tried with other standards, from the ron of Lycurgus to the present bank-note engraving of modern times; but all have resulted in the conviction that gold is the only true standard. Paper mouey, supported by the credit of a government, is a convenient substitute, greatly facilitating exchange by the ease and safety of handling and transmitting it; b

facilitating exchange by the ease and safety of handling and transmitting it; but it is not real money. It is ONLY A PROMISE TO PAY MONEY, and the only test of its character, as false or true money, is its capacity to be converted into gold or silver of the prescribed weight and fineness. The effort to continue the use of gold as the standard and paper money as the representation of gold has been for 200 years the most difficult problem of political economy. Our own system, through the outgrowth of the war, is believed to contain some advantages superior to any now in use in the world. It rests upon the credit of the government. The government promises to pay not only the United States notes, but the bank notes, and holds security for the payment of the latter. It comoines the interests of the government with the interests of private persons, the owners of the banks. It is as well distributed as the nature of the case will allow. The United States prints the bills of uniform style; guards them against counterfeiting; forn or mutilated notes are at once received. The notes must be of uniform value throughout the United States. All that is needed to complete the system is general as panic arises by some uniorescen event which destroys confidence, the instinct of every holder of a bill or a depositor in a bank is to convert his meney inte gold. This feeling, if wide spread and long continued, will break any bank, however abundant its assets, and will necessarily lead to the enforcement of debts and general distress. Our national banking system amply protects the noteholder, but it does not in a time of specie payments sufficiently protect a bank from an enforced sacrifice of its assets to maintain specie payments at a time when the public good, as well as the existence of the bank, demahds a temporary suspension. The same difficulty might arise on the part of the United States in maintaining specie payments on United States notes. The reserve of gold in the Treasury might be exhausted by a sudden demand. A war or panic might cause such a demand for coin that the United States might be unable to redeem in coin. Such a contingency ought to be provided for in advance. The expedient adopted in England of allowing the Bank of England to raise the rate of interest on its loans, and thus draw on its assets to meet anticipated danger in demands, is not consistent with our public policy. A discretionary power in private persons or public officers over so delicate a subject as the national currency ought to be avoided. The mational banks already possess in the custody of the government the means to obviate this difficulty. The best substitute for specie payments, when from exceptional causes it cannot be maintained, is the public credit. If the United States cannot pay its notes in coin or in United States, bearing interest at such rates and upon such terms as ordinarily to be above par in gold, would provide for redemption; it would satisfy the public credit of the United States and sea legal tender among our citizens, will pay debts and fulfil contracts, and will, the moment that exceptional contracts, and will, the moment that exceptional contracts, and will, the moment that exceptional contrac

are several that are practicable:—

First—To authorize legal-tender notes to be receivable in payment for bonds of the United States.

Second—To authorize them to be receivable in the payment of duties.

Third—To authorize them to be converted into demand notes bearing interest, or into compound interest notes.

Fourth—A discreet resumption of specie payments in a day in the tuture to be fixed by law.

First—A graduated scale of rates at which they will be redeemed in coin, advancing to par in coin at a prescribed day.

The examination of the plane would lead me

scribed day.

The examination of the plans would lead me more into detail than I propose to go at this time. Each of them would advance immediately our notes.

that the simplest and most expedient measure is to declare by law that to declare by law that on AND AFTER THE FIRST DAY OF JANUARY NEXT. The United States will redeem is notes either with coin or, at the option of the Secretary of the Treasury, with its bonds of convenient denominations, bearing five per cent interest in coin. This will be a recognition by the United States of its solemn pledge made in March, 1888, that it will at the earliest practicable period redeem its notes in coin. It will provide also for the possible, but not probable, contingency that more notes will be presented than can conveniently be paid in coin. In that event the United States will redeem its notes in a character of bonds now with paringold in the money market of the world. The objections that may be made as to its effects on the national banks have already been anticipated in what I have said. It is founded upon the plain equity that if we cannot literally perform our promise by payment in coin we will at least give to the public creditor who holds the notes of the United States a bond bearing a commercial value equal to gold. If, then, these notes are in excess of the wants of the people for a currency they will be presented for redemption and ought to be redeemed. If not, their value will be appreciated to the gold standard, and this is specie payment. The modifications of the Banking act can properly be postponed until a future time, when the practical effect of a specie standard upon the United the gold standard, and this is specie payment. The modifications of the Banking act can properly be postponed until a future time, when the practical effect of a specie standard upon the United States notes will test the ability of the banks to maintain their notes at par with United States notes. Whether they should be relieved from maintaining so large a reserve, whether there should be one centre of redemption, are questions of practical legislation for the future. The moment the notes are redeemable in coin the banking system ceases to be limited in the number and distribution of banks, and will stand, like all other business pursuits, open to all who will give the requisite security for their notes and will obey the general law.

like apologizing for passing by arguments wort of consideration, but my only purpose now was present with the substitute reported by the Co mittee of Finance the leading measure in favor

CRITICAL OBJECTIONS, CHITICAL ORDECTIONS,
but will suggest some plan better suited to the objects we have in view. I, for one, while honestly supporting this plan, will readily adopt any better one that will make the now broken promise of the United States to pay one dollar equal to the best gold dollar of the Mint.

Mr. SHERMAN reported from the Committee on Finance the following substitute for the Buckingham bill:—

The bill was ordered to be printed.

The Bouse bill to incorporate the Loomis Ærial relegraph Company was passed; also the bill for the relief of T. H. Haldernen, owner of the British

the relief of T. H. Haldernen, owner of the British ship Duke'of Edinburgh.

Mr. Morron offered a resolution instructing the Committee on Privileges and Elections to inquire whether there is a legal State government in Louisiana, and, if so, by whom constituted. He said he was authorized by the majority of the committee to offer the resolution, and stated that the design of it was to give the committee authority to go into the whole subject matter of the between these

of it was to give the committee authority to go into the whole subject matter of the investigation aiready committed to them.

Mr. Saulsbury offered an amendment directing the committee, if it found no legal government in Louisians, to inquire when it ceased to exist and whether any federal officer, executive or judicial, had anything to do with overthrowing it. (Lost.)

Mr. Morton's resolution was then adopted.

On motion of Mr. Casserly the Secretary of the Treasury was requested to inform the Senate whether the Union Pacific Railroad and the Central Pacific Railroad companies have compiled with the act of July 6, 1862, requiring that after the completion of their roads five per cent of their net earnings shall be applied to the payment of the interest and redemption of the principal of their bonds, and, in case of non-compliance, the reason therefor.

On motion of Mr. Ramsey, the Committee on Post Offices and Post Roads was discharged from the further consideration of memorials asking that newspapers pass free through the mail.

Mr. Carphyter, from the Committee on the Judiciary, reported a bill fixing on the second Monday of October for the opening of the annual session of the United States Supreme Court. Passed.

At five P. M. the Senate adjourned.

WASHINGTON, Jan. 16, 1873.

After some preliminary business of little importance the House proceeded to the consideration of the bill for the admission of Colorado as a State in the Union. The debate opened by a speech in opposition to the measure by Mr. E. H. Roberts, of New York. He argued against the admission of

A NEW STATE WITH SO SMALL A POPULATION as that of Colorado. A proposition to erect the counties of Chenango, Herkimer and Madison, New York, into States would certainly not be tolerated, and yet any of these had a larger pepulation than Colorado. Colorado and Utah together had not as many people living in them as the Eighteenth and Twentieth wards of New York city. The power of the Senate having been increased, it ought not to be controlled by the extremities. In 1790, in regard to population, Delaware stood to Virginia in the ratio of 1 to 12, while now Colorado stands to New York in the ratio of 1 to 109. New York has now eleven per cent of the population of the United States and twenty-one per cent of the axes. New York does not complain of the existing inequality, but protests against exaggerating that inequality.

At the expiration of the morning hour the bill went over without action, and then the House went into Committee of the Whole on the Consular bill.

Without making much progress the committee rose at two o'clock, and the House proceeded to the consideration of

THE COURSE OF THE DEBATE

The bill was further debated at length, it being charged in

THE COURSE OF THE DEBATE
that the real motive in pressing the bill was to allow railroad companies to grab large tracts of land in the Indian Territery to which they would become entitled as soon as the country was sectionalized.

Finally, on motion of Mr. Garfield, (rep.) of Ohio, the bill was isid on the table—48 to 48.

Mr. Perce, (rep.) of Miss., from the Committee on Education and Laber, reported back the Senate bill amending the Agricultural College act by extending the time for granting lands. Passed.

The House then, at fifteen minutes past four P.

M., adjourned.

SUICIDE BY SHOOTING.

For some time past Jules Nadier, a Premehman, thirty-five years of age, has been employed as por-ter in the store of Messrs. Mariot & Co., 58 and 60 Greene street, and slept in the place every night. Greene street, and siept in the place every night. Yesterday morning a man employed there went to the store, and finding the door still locked was compelled to force it open. The first discovery he made was Nadler lying dead on the floor with a pistol shot wound in the head, and the deadly we spon lying beside him. Deceased had been much depressed in spirits of late, but no fears seemed to be entertained by his friends that he would take his own life, he not having been heard to make threats to that effect. Coroner Keenan was notified to hold an inquest on the body.

SAMANA BAY.

What Mr. Hazard Says of the New Company-It Will Have to Protect Itself-Everybody Bound To Be Friendly to It-Prospects for the Future.

The Enterprise Growing in Importance.

on—and even twenty-four hours are a sufficient allowance for a popular judgment to be formed apon a scheme so vast in its pretensions and more fulfil the first judgment of the HERALD sion that it is in its aims and purposes a copy of the British East India Company. There is this dif-ference, however, between it and its English prototype-the latter, either from craft or from igno rance of the possibilities of its own future for-tunes, disclosed, only as necessity forced it from its lips, the confession of its ultimate designs. On the

PAIR, PRANK, OPEN AND ABOVE BOAR declaration of all that it means to do, unless unlisten, for instance, to the following brief but pointed interview yesterday between a represen-tative of the Herald and Mr. Hazard, the Secre-"I suppose, Mr. Hazard," said the reporter, "that

our guess as to the company being in its general character modelled upon the pattern of the Eng lish East India Company, which contrived in the course of a century or so to gobble up an empire of a couple of hundred millions of people and the fairest section of the largest and richest of the five continents, is correct?"

"Well, yes; they are in many respects alike in their general ultimate objects," replied Mr. Hazard.

THE POWER OF CITIZENS

of the United States to establish outside of their own country an independent State?"

"I think that we are tolerably secure in our po-We have such a right, in my judgment," "And I believe you are reported to have stipu-lated for the privilege of maintaining your own

armaments and troops and the rest of it?" "Yes, that is substantially the case. We shall have to protect ourselves from outside interference

"Interference, for instance, from Great Britain, or France, or Spain or from the other great Powers

"From most of those Powers we count upon sympathy and aid, not opposition. It is to

THEIR INTEREST to protect and assist us. But, should they protest and attempt to enforce their protest by force, we should have the right to protect ourselves as we

best could."

"Why should you count upon sympathy and aid from them?"

"Because it is to their interest that this marvelfrom them?"

"Because it is to their interest that this marvellously fertile land, capable of supporting easily
10,000,000 people in comfort and plenty, should be
brought within the pale of civilization. Besides,
one of our first acts will be to declare Samana Bay
a free port, open to the flags of all nations, just as
the country itself will be thrown open at our invitation to the industry and enterprise of the whole
world. We shall find our best interest in

world. We shall find our dest interest in SHARING WHATEVER BENEFITS may accrue from our acquisition with all comers."
"And you are quite confident as to the resources of St. Domingo, or rather of your end of it, being sufficiently large to be shared without any one being the worse off?"

ing the worse off?"

"It is the richest portion of the world for its size, not only agriculturally, but minerally. There are gold mines within the tract ceded to us which alone yielded to the Spaniards \$20,000,000 per annum; and the other riches of the island will, I am confident, specify be developed under the intelligent supervision of this company."

For a day or so the text of THE CONTRACT entered into between Baez and the company cannot be obtained; but when it is we shall be better able to estimate what the powers and possible developments of this company may be. At present, however, it is pretty clear that the powers conceded to it under the contract are believed to conceded to it under the contract are believed to be almost limitless, and that it has practically ac-quired absolute control of the island. Should this prove the case the parallel between the East India Company and this new American copy of it will be complete.

The following circular was sent out by the promoters of the scheme to induce the co-operation of capitalists, and is worth careful perusal:—

issue, with branches; to construct railways, common roads and telegraph lines; to acquire vast tracts of the richest mineral lands on the globs, and or agricultural lands of wondertul fertility—in fee, tor nominal considerations.

It is understoed that our government looks with favor upon an enterprise directed toward an increase of our national commerce with this free people, and approves an effort to stimulate the cultivation of staple tropical productions so largely imported into this contrary by free labor, and under the direction of our own citizens.

It is evident that this fertile island will soon become a part of the United States.

The President, in his message to the Forty-first Congress, says:—"I was thoroughly convinced that the best interests of this country, columercially and materially, demanded its ratification (the Treaty of Annexation). Time has only confirmed me in this view. I now irruly believe "that a free port will be negotiated for by European nations. In the Bay of Samana a large commercial city will spring up, to which we will be tributary without receiving corresponding benefits, and then will be seen the foliy of our retecting so great a prize. St. Domingo, with a stable government, under which her minense resources can be developed, will give remainerative wages to tens of thought late of wormings of eapable of the production to abandon the adjacent islands. This apportation to abandon the adjacent islands and seek the blessings of freedom and its seen labor."

The Commissioners, in their report, say:—"8t. Domingo is capable of supporting millions of people. Land is cheap. In fertility it certainly equals, and probably surpasses, the neighboring islands, and it is even better suited to the production of sugar and coffee. It could supply the entire market of the United States with these great West India staples."

Dr. Samuel G. Howe, of Boston, one of the Commissioners, in a recent letter, says:—"90 commercial onterprise upon record ever gave promise of so much good to the enslayed r

Mr. Hazard Makes a Correction. TO THE EDITOR OF THE HERALD:—
SIR—in your editorial of yesterday concerning

the Samana Bay Company you say "The Secretary of the company asserts that the President of the United States is 'deeply interested' in its success." I nave invariably stated to every person who has asked me that no member of the government had any interest whatever in the negotiation from the beginning to the conclusion, or in its results; that it was free from any political significance whatever, and was purely a commercial enterprise. That the President is 'deeply interested' in the sense that every thoughtful citizen of the United States is, I do not doubt. In fact the statesmanlike and vigorous statements embodied in his special measage to the Porty-first Congress first arrested the attention of

ROWLAND R. HAZARD, Jr.

ART MATTERS. The second instalment of the collection of foreign

paintings, the first series of which was sold vester day at the gallery of Edward Schenck, No. 60 Lib

erty street, will be offered to the public at noon to-day. It includes several valuable and beautifu specimens. In the appended mention the reader and rivet the eye:-"Blowing Bubbles," by P. De Beul, of Brussels, represents a boy in all the ecsta and water, while a little girl, probably his sister, surveys him with delight. "Scenery Near Lat sanne, Switzerland," by W. De Klerck, of Breda, ts noticeable for the exquisite tints with which its sky is enriched. "The Pisherman's Return," by A. J. Madiol, of the Hague, repre a warm, glad, wholesome-looking girl, back her young, hand in the flush of youth. There is a "Forest View near Utrecht," by J. E. Morel, of Amsterdam, and F. Van Severdonck, of Brussels. The sun-flecked entrance to a forest is delightfully rendered, and making her first essay at the skipping rope, while her eider brother and eister watch her with interest, the boy, supported on his elbows, lying as full length on the ground, and the sister bending forward with something of a patronizing grace. Knwasseg's "Port of Pornic, Bretagne," is worthy to be in company of the other two pictures by the same artist, which we mentioned yesterday, and which, also finding their inspiration at Bretagne, respectively offer "Nantes" and "The Port of Ker Koven." In lact "The Port of Pornic" is intended as a companion picture to Nantes, and evinces some of the same delightful characteristics. The water is splendidly painted. "Woodland Scene, with Cattle," by Gustaf Van Hoorde, of Antwerp, and F. Van Severdonck, is remarkable for the richness and variety of its greens. Kuwasseg, who is strongly represented in this collection, introduces with great effect his grotesque and picturesque gables and his wonderful breaking waves into "Port of Fecamp, Normandy." W. Voster, of Amsterdam, pupil to the celebrated Schelihout, is represented by "Winter Scene Near Antwerp," in which the Cathedral is visible in the distance. The phalanx of denuded trees, the distance. The phalanx of denuded trees, the distance. The phalanx of denuded trees, the skaters, and both the repose and the action of a keen irost are expressed with exceptional power. J. J. C. Spohler's "River Scene Near Delt?" offers a winding road, an old-fashioned homestead, a broad river and plenty of animated figures. A fine study of still life is to be discovered in some grapes, peaches, goldish, oysters, lobsters and cherries, by Lucien Schaefels, professor at the Antwerp Academy. Albert Dillens, qf Brussels, recognized as the best pupil of his uncle, Adolph Dillens, has two companion pictures, "The Fisherman's Beparture" and "The Fisherman's Return." Something of the burden of Charles Kingsley's "Men Must Work and Women Must Weep, though the Harbor Bar Be tions that find their play in glad welcome are interpreted with great delicac making her first essay at the skipping rope

strength which is as much above the mechanism of mere photography as a picture in the fire is beyond a magic lantern, and what is a defect in the singer becomes a great merit in the portrait.

On the 5th of February the sixth annual exhibition of the American Society of Painters in Water Colors will open at the Academy of Design. The exhibition will last until March 1. Works will be received from January 23 to January 29, inclusive, beginning, therefore, Thursday week and ending the succeeding Wednesday. The usual lists are expected to be forwarded before next Monday to Mr. 1. C. Nicoll, the secretary of the society, at No. 51 West Tenth street.

Recent English Water Colors

Mr. Walker's "Fishmonger's Shop," a water color, displaying codfish, turbot, whiting, red mullet, red mackerel and a fat costermonger, is admired for his harmony of color, balance of c position, iliusive realism and cunning dexterity pencil.

huddled in a cart, while a squire reins up his horse beside them. Its color is ruddy and opaque, and its execution sharp and "muzzy." "Evening on the Moor," by the same artist, is said to be full of

a not unpleasant mannerism.

Mr. Macbeth's "My Roses" gives a croquet party and a rose bed. The latter is an exquisite study

and a rose bed. The latter is an exquisite study in red, white and green. The figures, the Saturdan Review says, seem scattered, until they are seen to be used as marks of punctuation in a composition that might otherwise fall into disorder.

"The Burial of John Knox" is after the most powerful and impressive manner of Sir John Gilbert. The treatment is Spanish, though the subject is Scotch.

Mr. Birerly has a faithful study, entitled "Nile Bank and Crocodile Above First Cataract." Mr. Boyce contributes to a recent London exhibition (December 28) "The Tomb of Can Grande della Scala, Verona." It is said to be truthful, modest and quiet.

"A Cavern on the Cornish Coast," by Albert Goodwin, recalls in its blue and lucent waters, with color rising to the surface as from crystal depths, the azure grotto of Capri.
"The Franciscan Conventat Assisi," by the same

artist, is described as indicating, by its indecisive and disorganized forms, the dangers which are incident to students, emulous of light and color-Alfred Hunt has a Turneresque drawing of "Thun," and "The Parthenon," mentioned as being

firm and true.
Out of scanty materials Mr. Alfred Fripp is said
to have educed a sunny and silvery tone and color
in his "Clay Piers in Peole Harbor." Its effect is

treatment is felicitous.

Hine's "Gray and Breezy Beach at Eastbourne" is praised for its truth to nature.

A remarkable series of Lycian, Egyptian and English drawings, by William Muller, are now hanging in the gallery of the Barlington (London) Pine Art Club, Muller, it will be remembered, was the most masterly sketcher of the English school."

"Pan and Ceres" (the landscape by Breughel), a landscape by A. Van Everdingen, the pertrait of a

landscape by A. Van Everdingen, the pertrait of a lady by F. Veronese and a scapicce by Van Goyen.

Some fine specimens of the works of Schengauer and Durer were seld in London, December 20 and 21. The prices paid ranged from ten pounds to one hundred.

The crampsale House collection of pictures was to have been sold in Manchester early this week. The approaching election of a Slade Professor of Art at Cambridge is being anxiously discussed.

Three chrome-lithographs published by the Arandel Society have been attracting attention in London. Two of them are from frescoes by Bazzi and Fra Angelice. The third reproduces Holbein's "Meier Madonna."

Pomeroy's Chances for the United States Senate for the Next Term Not Encour-

A special from Topeka, Kansas, says an informat caucus of anti-Pomeroy members of the Legislature was held last night, at which seventy-nine members were present, being a majority of twenty-six